

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

STS INTERNATIONAL, INC.,)
204 Sand Mine Road)
Berkeley Springs, WV 25411)
Plaintiff,)

v.)

WASHINGTON SQUARE)
ASSOCIATES, INC.,)
125 Woodstream Boulevard)
Suite 101)
Stafford, VA 22556)

Serve: Michael F. Mitrione)
207 Bulkhead Cove)
Stafford, VA 22554)

Defendant.)

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CLERK US DISTRICT COURT
ALEXANDRIA, VIRGINIA

Civil Action No. 1:13cv1413
AJT/TCB

COMPLAINT FOR BREACH OF CONTRACT

Plaintiff, STS International, Inc., by and through counsel Loughran Potter, alleges as follows for its complaint against Washington Square Associates, Inc.:

JURISDICTION AND VENUE

1. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. § 1332. The matter in controversy exceeds the sum of \$75,000, exclusive of interest and costs, and this action is between citizens of different states.

2. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b). The Defendant resides in this judicial district.

PARTIES

3. Plaintiff STS International, Inc. ("STS") is a corporation organized and existing

under the laws of West Virginia with its principal place of business in West Virginia. Pursuant to 28 U.S.C. § 1332(c)(1), STS is a citizen of the state of West Virginia.

4. Defendant Washington Square Associates, Inc. (“Washington Square”) is a corporation organized and existing under the laws of the District of Columbia with its principal place of business in Stafford, Virginia. Pursuant to 28 U.S.C. § 1332(c)(1), Washington Square is a citizen of the District of Columbia and of the Commonwealth of Virginia.

NATURE OF THE ACTION

5. On October 1, 2007, STS and Washington Square entered into a contract (“Subcontract Number REF-SC001-STS,” attached hereto as **Exhibit A**) whereby STS would act as a subcontractor to Washington Square, providing certain goods and services to Washington Square so that Washington Square could fulfill the terms of a contract it held with the U.S. Army (“Prime Contract Number W9124Q-05-D-0802”).

6. On May 28, 2010, Washington Square entered into a contract with the U.S. Government to extend the term of Prime Contract Number W9124Q-05-D-0802 (“Follow-on Prime Contract W91CRB-10-C-0111”).

7. On May 28, 2010, in order to meet its obligations under Follow-on Prime Contract W91CRB-10-C-0111, Washington Square entered into a contract with STS to extend the term of Subcontract Number REF-SC001-STS (“Follow-on Subcontract REF-SC002-STS,” attached hereto as **Exhibit B**).

8. On August 1, 2011, STS and Washington Square entered into an extension of Follow-on Subcontract REF-SC002-STS, extending its term through November 30, 2012 (the “Extension,” attached hereto as **Exhibit C**, and, together with Subcontract Number REF-SC001-STS and Follow-on Subcontract REF-SC002-STS, the “Subcontracts”).

9. STS performed its obligations under the Subcontracts.

10. On information and belief, Washington Square collected all amounts due from the U.S. Government under Prime Contract Number W9124Q-05-D-0802 and Follow-on Prime Contract W91CRB-10-C-0111.

11. Washington Square failed to pay STS fully the amounts due STS under the Subcontracts.

12. On December 13, 2011, STS sent an invoice (the "Invoice," attached hereto as **Exhibit D**) to Washington Square in the amount of \$336,309.44 for services rendered pursuant to the Subcontracts.

13. On February 15, 2012, in response to an inquiry from STS, Washington Square sent a letter to Mr. David Morgan, Vice President of Operations for STS, acknowledging that Washington Square had failed to pay the Invoice and that the invoice amount, \$336,309.44, properly was due to STS for services rendered pursuant to the Subcontracts ("February 15, 2012 Letter," attached hereto as **Exhibit E**).

14. On October 22, 2012, Mr. Morgan sent a letter to Washington Square stating that Washington Square still owed \$261,309.44 of the Invoice amount for services rendered pursuant to the Subcontracts.

15. On October 25, 2012, Washington Square sent a letter to Mr. Morgan acknowledging that Washington Square still owed STS \$261,309.44 of the Invoice amount for services rendered pursuant to the Subcontracts ("October 25, 2012 Letter," attached hereto as **Exhibit F**).

Since October 25, 2012, Washington Square has paid an additional \$8,000.00 to STS, but Washington Square still has not paid to STS \$253,309.44 of the amount due under the

Invoice for services rendered pursuant to the Subcontracts.

CLAIM FOR RELIEF
(Breach of Contract)

16. STS incorporates each and every allegation contained in paragraphs 1-16 as if fully stated here.

17. The Subcontracts are each a legally enforceable contract between STS and Washington Square.

18. Washington Square breached the Subcontracts by failing to pay \$253,309.44 due to STS.

19. As a result of Washington Square's breach of the Subcontracts, Washington Square damaged STS.

WHEREFORE, STS respectfully requests that judgment be entered in its favor and against Washington Square and that this Court award to STS the following:

- i. Compensatory damages in the amount of \$253,309.44 or such other amount as STS may prove;
- ii. Pre- and post-judgment interest;
- iii. Court costs and attorneys' fees; and
- iv. Such further relief as the Court deems proper.

Respectfully submitted,



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